

**MINUTES
REGULAR BOARD MEETING
THURSDAY, JULY 20, 2006, 9:00 A.M.**

Board Members Present at Roll Call: Les Abrams, Gabe Corral, Tom Heineman, Cynthia Henry, Myra Jefferson, Gaye Rutan, Sarah Vetault. A quorum was present. Board Members Present After Roll Call: Rod Bolden. Board Members Absent: Lee Ann Elliott.

Also Present at Roll Call: Debb Pearson, Executive Director; Beckie Loar, Regulatory Compliance Administrator; Beth Campbell, Assistant Attorney General.

Les Abrams acted as Chairperson.

The Board pledged allegiance to the flag of the United States of America.

Sarah Vetault moved that the Minutes of the June 15, 2006, Regular Board Meeting be approved, as amended. Cynthia Henry seconded the motion. The Board voted unanimously in favor of the motion.

PUBLIC ANNOUNCEMENTS AND CALL TO PUBLIC

None.

Rod Bolden joined the meeting.

COMPLAINT REVIEW

Issues Dealing With Formal Hearing Concerning 2017, Donald J. Stenberg.

Respondent did not appear but was represented by Douglas G. Martin, Esq. Elizabeth A. Campbell, Assistant Attorney General, represented the State of Arizona. The parties presented brief oral arguments concerning the Board accepting the signed due diligence consent letter submitted to the Board late. Gaye Rutan moved that the Board accept the signed due diligence consent letter submitted to the Board late and rescind the Board's referral of the matter to the Office of Administrative Hearings (OAH). Tom Heineman seconded the motion. The Board voted unanimously in favor of the motion.

Issues Dealing With Formal Hearing Concerning 2144, Marshall S. Coffman.

Respondent did not appear. Elizabeth A. Campbell, Assistant Attorney General, represented the State of Arizona. The State presented a brief oral argument. Tom Heineman moved that the Board reject the proposed Consent Agreement and Order of Discipline. Gabe Corral seconded the motion. The Board voted unanimously in favor of the motion. Gabe Corral moved that the Board offer respondent a revised Consent Agreement and Order of Discipline finding Level V violations and providing for a six-month suspension to be stayed if respondent completes his disciplinary education within 90 days. Rod Bolden seconded the motion. The Board voted unanimously in favor of the motion. Gaye Rutan moved that if respondent fails to sign the proposed Consent Agreement and Order of Discipline within 20 days, the matter is to proceed to a formal hearing before the Office of Administrative Hearings (OAH). Rod Bolden seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 1838, V. Wesley Wylie.

Respondent appeared. Cynthia Henry moved that the Board terminate respondent's mentorship and probation. Sarah Vetault seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 1975, Burnell Q. Rowe.

Respondent appeared. Gabe Corral moved that the Board table the matter to allow the Board to audit three of respondent's appraisals. Myra Jefferson seconded the motion. The Board voted unanimously in favor of the motion.

Informal Hearing Concerning 2086, Joseph E. Brimeyer.

Respondent appeared, was sworn in, made statements to the Board and answered the Board's questions. Gabe Corral moved that the Board find Level II Violations and offer respondent a due diligence consent letter citing violations and requiring disciplinary education. Rod Bolden seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2181, Lee F. Johnson.

Respondent appeared. Staff summary was read. Tom Heineman moved that the Board find no violations and dismiss the complaint. Sarah Vetault seconded the motion. The Board voted unanimously in favor of the motion.

Informal Hearing Concerning 2108, Paul A. Botts.

Respondent and his attorney, Pam Archibald, Esq., appeared. Respondent was sworn in, made statements to the Board and answered the Board's questions. Gabe Corral moved that the Board find Level II Violations and offer respondent a due diligence consent letter citing violations and requiring disciplinary education. Gaye Rutan seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2187, Matthew A. Bellerose.

Respondent appeared. Staff summary was read. Tom Heineman moved that the Board dismiss the complaint because the violations occurred within the same time period as his previous appraisals for which respondent had received nondisciplinary remedial action. Gabe Corral seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2189, Theodore J. Brennan.

Respondent appeared. Staff summary was read. Sarah Vetault moved that the Board find no violations and dismiss the complaint. The motion failed for the lack of a second. Gaye Rutan moved that the Board find Level I Violations and offer respondent a nondisciplinary letter of concern. Cynthia Henry seconded the motion. The Board voted 7-1 in favor of the motion. Sarah Vetault voted no.

Informal Hearing Concerning 2109, Jay A. Josephs.

Respondent and trainee, William Yates, appeared, were sworn in, made statements to the Board and answered the Board's questions. Gaye Rutan moved that the Board find Level II Violations and offer respondent a due diligence consent letter citing violations. The motion failed for the lack of a second. Sarah Vetault moved that the Board find Level I Violations and issue respondent a nondisciplinary letter of concern citing violations. Rod Bolden seconded the motion. The Board voted 6-2 in favor of the motion. Gabe Corral and Gaye Rutan voted no.

Informal Hearing Concerning 2137, Raymond E. Sanchez, Jr./2138, Tina M. Michels.

Cynthia Henry recused herself. Respondents and subpoenaed witnesses, Susan Nichols, Kent Maas (telephonically), and Ellen Sacks (telephonically) appeared, were sworn in, made statements to the Board and answered the Board's questions. Gaye Rutan moved that the Board go into Executive Session for legal advice. Myra Jefferson seconded the motion. Upon return from Executive Session, Tom Heineman moved that the Board find no violations and dismiss the complaints. Gaye Rutan seconded the motion. The Board voted 5-2 in favor of the motion. Myra Jefferson and Sarah Vetault voted no.

Review and Action Concerning 2155, Richard E. Lineberger.

Respondent appeared. Staff summary was read. Gabe Corral moved that the Board find Level I Violations and offer respondent a nondisciplinary letter of concern citing violations. Gaye Rutan seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2118, Robert J. Fabrizio.

Respondent appeared. Sarah Vetault moved that the Board reconsider the matter. Cynthia Henry seconded the motion. The Board voted 6-2 in favor of the motion. Gabe Corral and Gaye Rutan voted no. Sarah Vetault moved that the Board find no violations and dismiss the complaint. The motion failed for the lack of a second. Les Abrams moved that the Board go into Executive Session for legal advice. Tom Heineman seconded the motion. The Board voted 6-2 in favor of the

motion. Gabe Corral and Gaye Rutan voted no. Upon return from Executive Session, Sarah Vetault moved that the Board find no violations and dismiss the complaint. Cynthia Henry seconded the motion. The motion failed upon the following 4-4 roll call vote: Les Abrams--no, Rod Bolden--yes, Gabe Corral--no, Tom Heineman--no, Cynthia Henry--yes, Myra Jefferson--yes, Gaye Rutan--no, Sarah Vetault--yes. Tom Heineman moved that the Board find Level I Violations and offer respondent an amended nondisciplinary letter of concern citing violations. Gaye Rutan seconded the motion. The Board voted 7-1 in favor of the motion. Sarah Vetault voted no.

Review and Action Concerning 2052, Roy M. Finley, Jr.

Respondent did not appear. Gaye Rutan moved that the Board find no violations and dismiss the complaint. Sarah Vetault seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2142, Morgan P. Craighead.

Respondent did not appear. Sarah Vetault voted that the Board accept the investigator's report and offer respondent a Consent Agreement accepting respondent's voluntary surrender of his certified residential certificate #20943 in lieu of any further Board action. Gaye Rutan seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 98F-0544-BOA, Lawrence E. Bloom.

Respondent did not appear. Gaye Rutan moved that the Board open complaint 2214 against respondent alleging noncompliance with the 10/25/04 Findings of Fact, Conclusions of Law, and Order of Suspension and Probation. Sarah Vetault seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 1625/1626/1888/1889/1890, James D. Schofield.

Tom Heineman recused himself. Respondent did not appear. Gaye Rutan moved that the Board deny respondent's request to amend the 7/1/05 Consent Agreement and Order of Discipline. Gabe seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2004/2005, John K. Senerchia.

Respondent did not appear. Gaye Rutan moved that the Board open complaint 2215 against respondent alleging noncompliance with the 3/9/06 Consent Agreement and Order of Discipline. Gabe Corral seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2039, Hayden L. Meier.

Respondent did not appear. Gaye Rutan moved that the Board approve Daniel D. Smith, Certified Residential Appraiser #20058, to act as respondent's mentor. Sarah Vetault seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2179, Edward J. Stanton.

Respondent did not appear. Staff summary was read. Gaye Rutan moved that the Board find no violations and dismiss the complaint. Tom Heineman seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2180, Roger C. Johnson.

Respondent did not appear. Staff summary was read. Gaye Rutan moved that the Board find no violations and dismiss the complaint. Sarah Vetault seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2182, Jeff J. Glander.

Respondent did not appear. Staff summary was read. Gaye Rutan moved that the Board accept the education submitted by respondent late. Gabe Corral seconded the motion. The Board voted unanimously in favor of the motion. Gaye Rutan moved that the Board dismiss the complaint. Myra Jefferson seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2183, Brian P. Smith.

Respondent did not appear. Staff summary was read. Gaye Rutan moved that the Board accept the education submitted by respondent late and dismiss the complaint. Gabe Corral seconded the motion. The Board voted unanimously in favor of the motion.

Sarah Vetault left the meeting. A quorum remained.

Review and Action Concerning 2184/2188, Anthony A. Cardinal.

Respondent did not appear. Staff summaries were read. Gaye Rutan moved that the matters be referred to an investigator. Myra Jefferson seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2185, Brian A. Friedman.

Respondent did not appear. Staff summary was read. Gaye Rutan moved that the Board find Level I Violations and offer respondent a nondisciplinary letter of concern citing violations. Tom Heineman seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2186, Richard L. Foltz.

Respondent did not appear. Staff summary was read. Gaye Rutan moved that the matter be referred to an investigator. Gabe Corral seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2191, Kirke D. West.

Respondent did not appear. Staff summary was read. Gabe Corral moved that the Board find no violations and dismiss the complaint. Tom Heineman seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2196, Todd J. Stewart.

Respondent did not appear. Staff summary was read. Gabe Corral moved that the Board find Level V Violations and offer respondent an Amended Consent Agreement and Order of Discipline citing violations and requiring probation, mentorship and education; and in the event respondent does not accept the proposed Amended Consent Agreement and Order of Discipline, then the matter be referred to formal hearing before the Office of Administrative Hearings (OAH). Gaye Rutan seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2197, John A. Bellerose.

Respondent did not appear. Staff summary was read. Gabe Corral moved that the Board find Level V Violations and accept the proposed Consent Agreement and Order of Discipline citing violations and requiring suspension, probation, mentorship and education. Cynthia Henry seconded the motion. The Board voted unanimously in favor of the motion. Gaye Rutan moved that the Board approve Jeremy S. Hepworth, Certified Residential Appraiser # 20936, to act as respondent's mentor. Tom Heineman seconded the motion. The Board voted unanimously in favor of the motion.

The Board noted there were no 12-month reviews.

BOARD CHAIRPERSON REPORT

Les Abrams commented on the great job the Application Review Committee, Appraisal Testing and Education Committee, and Rules and Regulations Committee perform for the Board.

EXECUTIVE DIRECTOR REPORT

Debb Pearson reported on the status of the Assistant Attorney General's assignments; advised no complaint answer dates had been extended by staff; reported the following complaint status for calendar year 2006 through 6/30/06:

Complaints filed	94
Complaints dismissed	20
Complaints referred to investigation	19
Complaints resolved with nondisciplinary letter of concern	15
Complaints resolved with nondisciplinary letter of remedial action	2
Complaints resolved with disciplinary letter of due diligence	0
Complaints resolved with probation	1
Complaints referred to informal hearing	8
Complaints referred to formal hearing	2
Complaints resolved with suspension	2
Complaints resolved with surrender	0

Complaints resolved with revocation	0	
Complaints resolved with cease and desist letters		11
Violation Levels:		
I		16
II		2
III		0
IV		0
V		3

and reported that (1) the USPAP Update for Regulators DVD should be available for the next Board meeting; and (2) the Appraisal Standards Board had issued a Concept Paper on 7/15/06 Reporting Requirements of USPAP and had requested comments by 9/15/06.

APPLICATION REVIEW COMMITTEE REPORT

Gaye Rutan reported the following Arizona appraiser and property tax agent information as of July 19, 2006:

Licensed Residential	1022	
Certified Residential	914	
Certified General	782	
Nonresident Temporary	81	Total 2799
Property Tax Agents	310	

Gabe Corral left the meeting. A quorum remained.

Gaye Rutan moved that the Board deny certified residential application #5951, Richard W. Goebel, based on A.R.S. §§ 32-3611(D)(2), 32-3611(D), 32-3631(A)(4), 32-3631(A)(5), 32-3620(A). Myra Jefferson seconded the motion. The Board voted unanimously in favor of the motion. Myra Jefferson moved that the Board accept the Committee's recommendations (see attached). Rod Bolden seconded the motion. The Board voted unanimously in favor of the motion.

APPRAISAL TESTING AND EDUCATION COMMITTEE REPORT

Cynthia Henry moved that the Board accept the Committee's recommendations (see attached), except to table the course approval of (1) Online Business Practices and Ethics offered by the Appraisal Institute, and (2) A-121-Code of Ethics offered by the American Society of Farm Managers & Rural Appraisers, to allow the Board to further review the applications. Rod Bolden seconded the motion. The Board voted unanimously in favor of the motion.

RULES AND REGULATIONS COMMITTEE REPORT

Upon discussion and deliberation, Gaye Rutan moved that the Board accept the 7/17/06 draft of the proposed rules amendments, with the correction of typographical errors. Myra Jefferson seconded the motion. The Board voted unanimously in favor of the motion. The 7/20/06 corrected draft will be sent to the Appraisal Subcommittee for comment

and staff will proceed with the rulemaking process. Upon discussion and deliberation of the 7/17/06 draft of the proposed statutes amendments, Cynthia Henry moved that the Board delete following existing sentence from A.R.S. § 32-3654(D): "The Board may assess the costs of the investigation and hearing against a person who is found guilty of violating this article." Tom Heineman seconded the motion. The Board voted unanimously in favor of the motion. Gaye Rutan moved that the Board delete the following new language from A.R.S. § 32-3653(B): "A property tax agent who is also a state licensed or state certified appraiser shall disclose to his client and in any tax appeal proceeding whether he is acting as a property tax agent or a licensed or certified appraiser. A property tax agent who is also a state licensed or state certified appraiser and who is acting solely in his capacity as a property tax agent may accept a fee that is contingent on the results achieved." Cynthia Henry seconded the motion. The Board voted unanimously in favor of the motion. Gaye Rutan moved that the Board accept the 7/17/06 draft of proposed statutes amendments, as revised. Myra Jefferson seconded the motion. The Board voted unanimously in favor of the motion. The 7/20/06 revised draft will be sent to the Appraisal Subcommittee for comment and a Stakeholders Meeting will be held August 10, 2006, for public comment.

OLD BUSINESS

None.

NEW BUSINESS

Discussion and Action Concerning Zillow.com

Gaye Rutan moved that the Board issue a cease and desist letter to Zillow.com. Cynthia Henry seconded the motion. The Board voted unanimously in favor of the motion.

CONFIRMATION OF MEETING DATES, TIMES, LOCATIONS AND PURPOSES

The upcoming Committee and Board meetings were scheduled as follows:

August

10	Rules and Regulations Committee/Stakeholders Meeting (Statutes)	9:00 a.m.
16	Application Review Committee	3:00 p.m.
17	Appraisal Testing and Education Committee	8:30 a.m.
17	Board	9:00 a.m.

ADJOURNMENT

The meeting was adjourned.

Lester G. Abrams, Chairperson